

SAFE
Meeting of Board of Directors
February 11, 2021 10:00 A.M.
Minutes

Pursuant to public notice, a meeting of the SAFE Board of Directors was held on February 11, 2021. In accordance and compliance with Governor Ivey's first supplemental Statement of Emergency dated March 18, 2020, as amended, the meeting was held by video conference with access posted on the Secretary of State's meeting notice in order to allow the public to listen to, observe or participate in the meeting. The meeting was called to order at 10:03 a.m. by Chairman McMillan.

Call to Order and Roll Call

Roll was taken, and a quorum was present.

Present:

Mr. John McMillan, Chair.
Mr. Rod Morgan
Ms. Allison Edge
Mr. Michael Morgan
Mr. Mike Hill
Mr. Keith McCollough
Mr. John Riley

Absent:

Mr. Mark Snead

Others Present:

Ms. Daria Story
Ms. Pam Stevenson
Ms. Brittany Carter Peters
Ms. Carraman Pernell

Approval of Minutes

Chairman McMillan presented the minutes from the meeting of November 5, 2020 for the Board's review. Upon motion made by Mr. Michael Morgan, and a second by Mr. Keith McCollough, the reading of the minutes was dispensed, and the minutes were unanimously approved as distributed.

Annual Appointments

Chairman McMillan appointed Mr. Mark Snead to serve as Vice Chair and Ms. Pam Stevenson as Secretary for the coming year.

Report of SAFE Director

Ms. Stevenson presented the quarterly report that was included in the Board package and was received as information. She noted the net average public deposits increased from the previous quarter. She noted the collateral remains consistent. MBS and CMO continue to be the highest percentage in dollars pledged; however, MBS and Alabama GO and Revenue securities are highest percentage of collateral by count. Ms. Stevenson reviewed the other reports. She reviewed the SAFE budget as of December 31, showing program expenses and noted the 2021 general SAFE budget is \$246,094.

Ms. Stevenson reported as of December 31, the number of QPD's dropped to 134. This was due to the acquisition of Escambia County Bank, by AmeriFirst effective December 1, 2020. AmeriFirst is the surviving bank and an existing QPD.

Ms. Stevenson reported Bank Ozk, Little Rock, AR, sold their two Alabama branches to Merchant & Marine Bank, Pascagoula, MS and 22nd State Bank, Louisville, AL effective October 23 and November 13, respectively. Therefore, Bank Ozk withdrew from the SAFE program effective December 2, 2020.

Ms. Stevenson reported BBVA USA, will be acquired by PNC Bank, Pittsburgh, PA, pending regulatory approval. PNC Bank will be the surviving bank and is an existing QPD. Staff is working with both banks on the merger process expected mid to late 2021.

Ms. Stevenson reported the Examiners of Public Accounts completed their annual audit of the SAFE program with no findings. The Examiners will email each Board member a copy of the final report in March.

Ms. Stevenson reported Treasurer is working to introduce, during the 2021 Legislative session, the approved legislation from the November Board meeting. This legislation would allow the Board to conduct remote board meetings.

Ms. Stevenson reported there were no fines or violations to report this quarter.

Informational Items

Chairman McMillan informed the Board that Mr. Rod Morgan and Mr. Michael Morgan had both been reappointed to the Board to serve 2nd terms.

Chairman McMillan reminded the Board that the Statement of Economic interest is due by April 30, 2021.

There being no further business to come before the Board, a motion was made to adjourn by Mr. Michael Morgan and seconded by Ms. Allison Edge. The motion carried.

The meeting adjourned at 10:16 a.m.

Approved May 6, 2021

John McMillan, Chair

Pam Stevenson, Secretary